



General Assembly

February Session, 2004

Amendment

LCO No. 3282

SB0019403282SD0

Offered by:

SEN. COLEMAN, 2nd Dist.

REP. GREEN, 1st Dist.

SEN. MCDONALD, 27th Dist.

SEN. DEFRONZO, 6th Dist.

SEN. MCKINNEY, 28th Dist.

SEN. KISSEL, 7th Dist.

To: Subst. Senate Bill No. 194

File No. 279

Cal. No. 238

**"AN ACT CONCERNING THE PRESERVATION OF FEDERALLY-
ASSISTED HOUSING AS LOW AND MODERATE INCOME
HOUSING."**

1 Strike everything after the enacting clause and substitute the
2 following in lieu thereof:

3 "Section 1. (NEW) (*Effective July 1, 2004, and applicable to any*
4 *termination of subsidy for the development occurring on or after July 1,*
5 *2005*) (a) As used in this section:

6 (1) "Development" means a rental housing development that
7 receives government assistance under any of the following federal
8 programs, including any property that is owned or whose mortgage is
9 held by the United States Department of Housing and Urban
10 Development and was formerly insured under any of the following
11 programs:

12 (A) New construction, substantial rehabilitation, moderate

13 rehabilitation, property disposition and loan management set-aside
14 programs or any other program providing project-based assistance
15 under Section 8 of the United States Housing Act of 1937, as from time
16 to time amended;

17 (B) The Below Market Interest Rate Program under Section 221(d)(3)
18 of the National Housing Act, 12 USC 1715l(d)(3), (5);

19 (C) Section 236 of the National Housing Act, 12 USC 1715z-1;

20 (D) Section 202 of the Housing Act of 1959, 12 USC 1701q;

21 (E) Programs for rent supplement assistance under Section 101 of
22 the Housing and Urban Development Act of 1965, 12 USC 1701s;

23 (F) Programs under Section 515 of the Housing Act of 1949, 42 USC
24 1485; or

25 (G) The Low Income Housing Tax Credit program, 26 USC 42; and

26 (2) "Termination of subsidy for the development" or "termination of
27 subsidy" means: (A) Any sale, transfer of title, lease, prepayment of
28 loan insured or held by HUD or another federal agency or any other
29 action with respect to a development, as defined in subdivision (1) of
30 this section, that would result in the cessation or reduction of the
31 financial assistance designed to make the rental unit affordable to low
32 and moderate income households; or (B) an owner's decision not to
33 extend or renew its participation in a federal project-based subsidy
34 program, either at or prior to the scheduled date of the expiration of
35 the contract; or (C) the expiration of rental restrictions for a
36 development that may result in an increase in tenant rent or a change
37 in the form of the subsidy from project-based to tenant-based.

38 (b) On and after July 1, 2004, any owner of a development shall, not
39 later than one year before the termination of subsidy for the
40 development, provide written notice of the owner's intent to terminate
41 the subsidy, sent by first class mail or hand-delivered, to (1) each
42 tenant residing in the development, (2) each tenant association

43 representing tenants in the development, (3) the executive director of
44 any housing authority of the municipality in which the development is
45 located, (4) the chief executive officer of the municipality in which the
46 development is located, (5) the executive director of the Connecticut
47 Housing Finance Authority, (6) the Commissioner of Economic and
48 Community Development, and (7) the executive director of the
49 Connecticut Housing Coalition. The notice shall be posted in a
50 conspicuous common area of the development accessible to the
51 tenants. A copy of the notice shall be filed in the land records of the
52 municipality in which the development is located.

53 Sec. 2. (*Effective from passage*) (a) The Connecticut Housing Finance
54 Authority shall conduct a study of the loss of low and moderate
55 income housing units from Connecticut's housing stock which has
56 resulted, or which may result, from the termination of subsidy for
57 federally-assisted and federally-insured housing. For the purpose of
58 assisting in the study, the Connecticut Housing Finance Authority
59 shall convene an advisory committee whose membership shall include
60 representatives of a range of interests involved in the preservation of
61 such housing as low and moderate income housing, including, but not
62 limited to, financing agencies and lenders, nonprofit and for-profit
63 developers, and low and moderate income housing advocates.

64 (b) On or before January 1, 2005, the Connecticut Housing Finance
65 Authority shall submit to the select committee of the General
66 Assembly having cognizance of matters relating to housing a report
67 describing the nature and scope of the loss of low and moderate
68 income housing units and recommending solutions, which may
69 include legislation, to maximize the preservation of low and moderate
70 housing units within Connecticut's housing stock.

71 Sec. 3. (*Effective July 1, 2004, and applicable to any termination of subsidy*
72 *for the development occurring on or after July 1, 2005*) Section 8-68c of the
73 general statutes is repealed."

This act shall take effect as follows:	
Section 1	<i>July 1, 2004, and applicable to any termination of subsidy for the development occurring on or after July 1, 2005</i>
Sec. 2	<i>from passage</i>
Sec. 3	<i>July 1, 2004, and applicable to any termination of subsidy for the development occurring on or after July 1, 2005</i>